IN THE SPECIFICATION

Please amend the specification as follows:

Replace the paragraph spanning pages 6-7, between page 6, line 25, and page 7, line 2 of the specification with the following:

Between the stationary part 1 and the moving part 2 is provided an inductive coupling device 3 with two cores, for example ferrite cores, a stationary core 4 and a rotating core 5 and two sets of coils (not represented in FIG. 1 but represented in FIG. ~~12~~ 10). A first set 121 of coils, comprising a first stationary coil 122 and a first moving coil 123 is used for power transfer, and the second set 124 of coils, using a second stationary coil 125 and a second moving coil 126 is used for full duplex data transfer. The first and second stationary coils 122, 125 are located at the stationary device side, ~~an~~ and the first and second moving coils 123, 126 are located at the moving device side of the inductive coupling device 3. There is an air gap 6 between the two cores 4, 5 and thus also between the respective stationary and moving coils. The transferred energy in a system according to the present

invention is in the order of milliwatts or Watts.

Replace the paragraph on page 14, between lines 17-21 of the specification with the following:

After the two low-pass filters 74, 75, the amplitude of the in phase component and the orthogonal component is found. In order to generate the absolute value of the demodulated frequency component in the input signal V_i, the square root has to be taken, see block 76, of the sum, see block 77, of the squares, see blocks 78 and 79 of the two demodulator outputs 72, 73.